

## Joint Legislative Fiscal Committees Budget Hearings

*Testimony provided by*  
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### INTRODUCTION

Chairs Krueger and Weinstein, and members of the committee: thank you for the invitation to address you today. I am Mara Manus, the Executive Director of the New York State Council on the Arts (NYSCA). On behalf of our Chair, Katherine Nicholls, the NYSCA Council, staff, and the non-profit arts sector, we are so grateful for the State and Legislature's historic and robust investment in the arts this past year, affirming our state as a global economic leader of arts and culture.

Every dollar invested in the arts has a compounded positive impact on our state and local economies. Pre-COVID, New York's creative economy contributed \$123 billion, constituted 7% of the state's economy, and comprised of over 500,000 workers.<sup>i</sup> The impact of a single performance, a gallery opening, or capital project has a wide ripple effect on Main Street stores, restaurants, and hotels in across our state. New York is also a beacon for international tourists to experience our unparalleled arts and culture offerings.

We can all acknowledge that this year has not begun as we had hoped. While Omicron has dealt a major setback our sector which was the first to close and last to reopen, the arts sector is at a critical juncture – contending with revenue loss, workforce reductions, programming cancellations, increased expenditures, and audience uncertainty. We recognize Governor Hochul's leadership and fulsome pandemic response as a majority of our grantees reopened in the last 6 months of 2021.<sup>ii</sup> We are so grateful for Governor Hochul's proposed investment of \$100 million for the arts and recovery, which will ensure the longevity and growth of our sector, spaces, artists, and creative workers.

### NYS CREATIVE ECONOMY AND THE CURRENT STATE OF THE ARTS SECTOR

Every arts organization and worker is in recovery across our state. Studies show that the arts are recovering more slowly than other industries.<sup>iii</sup> Job losses at nonprofit arts organizations, “remain more than 3 times [higher] than the average of all nonprofits,”<sup>iv</sup> and arts businesses are, “among the most likely to take longer than 6 months to recover.”<sup>v</sup> One study shows a \$925 million decline across New York City-based arts organizations and a 50% decline in arts jobs from 2019. Another study from Central New York estimated arts losses at \$148 million for the region and a 48% decline in arts FTEs.<sup>vi</sup>

NYSCA's Grantee Impact survey reported that 71% of respondents are not offering the same level of pre-COVID programming, 66% anticipate fewer annual visitors, and 50% expect a longer timeline for workforce recovery.<sup>vii</sup>

The pandemic has fundamentally altered the way we all work. Fully remote work as well as a booming tech sector are creating greater opportunities at higher wages, and this presents challenges to everyone in the non-profit sector.<sup>viii</sup>

While State and Federal funding have played critical roles in sustaining arts organizations this past year, Omicron pushed our sector to recalibrate recovery timelines, all in the absence of federal funding. Note that all SVOG spend out must be by June 30, 2022, an 18-month timeline for most organizations. Additionally, only 26% of NYSCA's survey respondents reported receiving SVOG, while 71% received PPP.

### **NYSCA FY2022 GRANTMAKING**

NYSCA's core focus is grantmaking to non-profit arts organizations and artists. Our funding reaches over 3,000 artists and organizations in all 62 state counties, from the Bronx Documentary Film Center to the Buffalo Philharmonic and Hudson Hall. A majority of our direct grantmaking supports organizations with budgets under \$500,000.

This past year, NYSCA acted responsively to overhaul our entire grantmaking process with the overarching goals of creating more equitable access and moving funds quickly at this critical time.

NYSCA consolidated our discipline-based funding model to an opportunity-based model and our funding categories; expanded individual artist funding; and introduced a new application portal that greatly simplified the whole process. We also expedited award notifications, contracting, and payments. We offered our funding in 4 rounds, which are included below.

Our priorities included:

1. Expanding eligibility and access to funding for underrepresented communities, smaller organizations, a broader range of artistic practices, and strategic state-wide partnerships.
2. Significantly streamlining the application process to reduce the burden for applying, especially for new applicants and smaller organizations.

3. Providing immediate support for live performance, an area of our sector that had its doors shuttered for 21 months with a significant unemployed workforce.
4. Providing flexible funding to be responsive to the fluidity of our times, including the continuation of new reporting and contracting modification processes.

Our FY2022 opportunities included:

- **Round 1- Restart NY: Rapid Live Performance Grants:** NYSCA quickly developed a significantly streamlined application and processed more than 700 grants to reignite the performing arts. Awards were made in July 2021. Multi-year awards were also processed during Round 1.
- **Round 2 - NYSCA Partnerships and Regrants:** Funding invested in NYSCA Partnerships and Statewide Community Regrants programs ensure NYSCA dollars reached all 62 counties of New York. Awards were made in September 2021.
- **Round 3 - Organizational and Individual Artists Support:** Opportunities included Support for Organizations, Support for Artists, Special Opportunities, and Recovery Grants. Grants provided sizable funding to organizations and artists across a wide spectrum of artistic and cultural practices. Awards were made in December 2021.
- **Round 4 - Capital Funding for the Arts:** A \$20 million grant opportunity to support critical facility renovations and improvements that promote health, safety, and accessibility.

NYSCA saw a 45% increase in applications for FY2022 versus the prior year, and to-date we have awarded almost \$83 million through 3,250 grants. To-date, 65% of our FY2022 grantees have organizational budgets of \$1 million or less; and we are providing support to 300 more organizations and double the number of artists than the previous year. This includes \$9 million in live performance grants to 462 organization in 42 days (an agency record), over \$5 million of which supported artist fees.

The final round of FY2022 grantmaking, Capital Projects, will be awarded by the end of the fiscal year. There was a 56% increase in applications over our previous Capital round in 2019, with funding requests totaling \$62 million. This opportunity builds upon NYSCA's successful FY2018 and FY2019 rounds of capital funding, through which we awarded \$30 million to 88 organizations across all 10 regions of the state. From the completely reimagined campuses of the George Eastman Museum in Rochester and the Albright Knox Gallery in Buffalo to the upcoming state-of-the-art venue for Pendragon Theater in Saranac Lake, these projects all serve as anchors for economic and tourism growth for their regions and the state.

### **EXPANDING CRITICAL OUTREACH TO THE FIELD**

We provided more critical outreach to our field, reaching over 5,000 individuals through 12 virtual webinars and 20 office hour sessions. Our staff was also readily available to answer applicant questions outside of these offerings. All webinars were recorded and remain available on NYSCA's website, ensuring ongoing access to the field.

NYSCA surveyed our applicants and grantees, the feedback from which will be used as we develop our FY2023 funding. Per our Round 3 Applicant survey in October 2021, 75% of respondents reported completing their applications in 5-20 hours, a significant improvement over previous years; 95% said that our informational resources prepared them well or extremely well in their completion of the application process; and 98% of respondents were satisfied or very satisfied with the level of communication from NYSCA.

NYSCA also distributed our 2022 grantee lists to all State Legislators, and we will replicate this every year moving forward. We are deeply appreciative to you and your offices for showcasing the work of our grantees in your districts.

### **CROSS-SECTOR IMPACT OF THE ARTS AND NYSCA PARTNERSHIPS**

Since NYSCA's founding in 1960, there has been a significant expansion of what we understand about the arts: where the arts were once thought to be an emblem of wealth, we now understand them to be critical to our health. They create positive health outcomes for all New Yorkers, including children of all ages<sup>ix</sup>, the elderly<sup>x</sup>, veterans<sup>xi</sup>, and justice-involved individuals.<sup>xii</sup>

We implemented important programming with these populations through cross-sector partnerships such as our Creative Aging Initiative with the New York State Office of the Aging (NYSOFA), and Arts In Corrections with the Department of Correction and Community Supervision (DOCCS).

The first phase of the Creative Aging Initiative is providing training for 55 teaching artists and 7 senior-serving organizations, and serving up to 320 individuals through 16 workshops. In 2022, Phase Two will reach approximately 360 older adults, 25 teaching artists, and 25 administrators from arts and senior serving organizations, thanks to a \$60,000 NASAA/Aroha Foundation LSIC Grant. At the end of this period, a convening will be held to bring multiple stakeholders together to inform future policy and build a network of interested practitioners.

NYSCA continues to support Arts in Corrections, creative programming for justice-involved individuals through hands-on arts workshops. While COVID-19 shut down much of this work, we were able to

continue virtual pilot programs at the Ulster and Adirondack adult facilities, administered by the Woodstock School of Art. We are exploring expansion into more adult facilities and OCFS residential sites.

## CONCLUSION

Thank you again for this opportunity to share the critical impact and vast reach of your investment in the arts in New York State. It is an honor to serve our sector and the state, especially at this critical time of recovery.

I now welcome your questions.

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<sup>i</sup> National Association of State Arts Agencies. (March 2021). *Creative Economy State Profiles*. Retrieved from: [https://nasaa-arts.org/nasaa\\_research/creative-economy-state-profiles/](https://nasaa-arts.org/nasaa_research/creative-economy-state-profiles/)

<sup>ii</sup> New York State Council on the Arts. *NYSCA COVID-19 Impact and Recovery Survey*. December 2021.

<sup>iii</sup> Americans for the Arts. January 2022. *COVID-19's Impact on the Arts*. Retrieved from: <https://www.americansforthearts.org/node/103614>

<sup>iv</sup> Americans for the Arts. (January 2022). *COVID-19's Impact on the Arts*. Retrieved from: <https://www.americansforthearts.org/node/103614>

<sup>v</sup> Americans for the Arts. (January 2022). *COVID-19's Impact on the Arts*. Retrieved from: <https://www.americansforthearts.org/node/103614>

<sup>vi</sup> CNY Arts. (August 2021) *COVID-19 Impacts on Central New York's Arts + Culture Sector*. August 2021. Retrieved from: <https://cnyarts.org/assets/CNY-Arts-2021-COVID-Survey-Report-FINAL-1.pdf>

<sup>vii</sup> New York State Council on the Arts. *NYSCA COVID-19 Impact and Recovery Survey*. December 2021.

<sup>viii</sup> Casselman, B. (2021, December 23). As Workers Gain Pay Leverage, Nonprofits Can't Keep Up. *New York Times*. Retrieved from <https://www.nytimes.com/2021/12/23/business/economy/nonprofit-jobs-wages.html>

<sup>ix</sup> Students involved in the arts are 4 times more likely to be recognized for academic achievement, and arts engagement makes low-income students more than twice as likely to graduate college as their peers with no arts education. Additionally, low socioeconomic status (SES) students with a high participation in the arts have a dropout rate of 4 percent, but their peers with a low participation in the arts have a dropout rate of 22 percent. (Americans for the Arts, [Arts Education Navigator](#)). Additionally, arts education contributes to the development of cognitive processes and prosocial skills that are especially significant for justice-involved or high-risk populations. Studies show that students involved with or at-risk of involvement with the juvenile justice system who have access to the arts tend to have better academic results, better workforce opportunities, higher career goals, and more civic engagement. ([Yahner et al. 2015](#))

<sup>x</sup> A prominent study by Dr. Gene D. Cohen reported that older individuals (ages 65-100) that engaged in professionally run cultural activities reported a higher overall rating of physical health, fewer doctor visits, less medication use, fewer instances of falls, better morale, fewer feelings of loneliness, and a trend toward increased activity. (Gene D. Cohen, et. al. [The Impact of Professionally Conducted Cultural Programs on the Physical Health, Mental Health, and Social Functioning of Older Adults](#), *The Gerontologist*, Volume 46, Issue 6, December 2006, Pages 726–734)

<sup>xi</sup> Key clinical research findings indicate that creative arts among veteran populations can enable recovery from traumatic experiences and reduce symptoms associated with PTSD, reduce isolation and stigma, and foster the ability to experience hope and gratification. (National Endowment for the Arts, [Creative Forces Research](#))

<sup>xii</sup> Hands-on arts programming for justice-involved individuals has been successful across NYS, with many art organizations reporting significant reductions in recidivism rates among their participants. Most notably, Rehabilitation Through the Arts (RTA), reports a recidivism rate of less than 5% among the over 800 incarcerated

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individuals they have served – which is 8 times below the state average. (Rehabilitation Through the Arts, [About Us](#)). Additionally, ArtPlace America found in 2018 that arts initiatives can create safer communities and contribute to the achievement of public safety goals such as reducing interpersonal violence, improving relationships between law enforcement and community members and connecting youth involved in the juvenile justice system to education and career opportunities. <https://www.artplaceamerica.org/public-safety>